

EXPLANATION OF “DIRECT CONSUMPTION IMPORTS”

As a result of recent policy decisions to increase imports to supplement domestic sugar supplies, one item in particular, Direct consumption Imports, has become significant. Direct Consumption Imports represent the quantity of refined sugar imports that entered (was declared) the United States. In past SMD's, there are 6 tables showing a “Direct consumption imports” line item (Tables 1, 7, 8, 9, 10, and 11).

FSA considers any U.S. company that imports refined sugar and/or raw sugar, for further refinement, a cane refiner. Each month, FSA separates the refined sugar imported by cane refiners from the total quantity of refined imports, as compiled by the Foreign Agriculture Service (FAS), to avoid double counting. The remaining refined imports are considered imports to entities that do not report monthly data to the FSA, i.e., “non-reporters”.

IMPORTS TO NON-REPORTERS CALCULATION

FAS compiled imports of sugar for direct human consumption

Less: Cane refiners reported monthly imports of refined sugar and imports of raw sugar that do not require further refinement. 1/

Equals: Imports to non-reporters

1/ Cane refiner imports of raw and refined sugar requiring refining (e.g. Mexican Estandar that will be further refined) are recorded in Table 1 under “raw” imports.

Table 1 will identify total imports of refined sugar as “Direct consumption imports” on the supply side of the balance sheet. The data on this line for October 2005, through February 2006 will change to reflect this definition. On the use side, cane refiners and processors deliveries of imported refined sugar are, as before, imbedded in the “By cane refiners/processors” deliveries data. The direct consumption imports line on the use side will be renamed “Imports to non-reporters”, reflecting only those refined imports being sourced by non-reporters. The data on this line for FY 2006 will not change. Table 4, U.S. Sugar supply and use by cane refiners, will show refiner imports of direct consumption sugar as “refined imports”. Tables 7, 8, 9, 10, and 11 will follow this same naming convention to identify who sourced the imported sugar. The current month's data will continue to be an estimate while the previous months will reflect actual data.